

Press Release

Tender for the re-opening of 5-Year Government Bonds under the Institutional Bond Issuance Programme to be held on Wednesday, 6 June 2012

The Hong Kong Monetary Authority (HKMA), as representative of the Hong Kong Special Administrative Region Government (HKSAR Government), announces today (Friday) that a tender of 5-year Government Bonds (Bonds) through the re-opening of existing Government Bond issue 05GB1612 under the Institutional Bond Issuance Programme will be held on Wednesday, 6 June 2012, for settlement on Thursday, 7 June 2012.

An additional amount of HK\$1.5 billion of the outstanding 5-Year Bonds (issue no. 05GB1612) will be on offer. The Bonds will mature on 8 December 2016 and will carry interest at the rate of 0.97% per annum payable semi-annually in arrears. The Bonds Fixings on 25 May 2012 is 101.55 with an annualised yield of 0.625%.

Under the Institutional Bond Issuance Programme, tender is open only to Recognized Dealers which are appointed as Primary Dealers. Any tender applications for the Bonds must be submitted through a Primary Dealer on the current published list, which can be obtained from the Government Bond Programme's website at <http://www.hkgb.gov.hk>. Each tender must be for an amount of HK\$50,000 or integral multiples thereof.

Tender results will be published on the HKMA's website, the Government Bond Programme's website, the Reuters screen (HKGBINDEX), and Bloomberg (GBHK <GO>) not later than 3:00 pm on the tender day.

Hong Kong Monetary Authority
25 May 2012

**HKSAR GOVERNMENT
INSTITUTIONAL BOND ISSUANCE PROGRAMME
TENDER INFORMATION**

Tender information of re-opening of 5-Year Government Bonds under the Institutional Bond Issuance Programme:-

- Issue Number : 05GB1612
- Stock code : 4211 (HKGB 0.97 1612)
- Tender Date and Time : Wednesday, 6 June 2012
9:30 am to 10:30 am
- Issue and Settlement Date for tender amount : Thursday, 7 June 2012
- Amount on Offer : HK\$1.5 billion
- Maturity : 5 years
- Remaining Maturity : Approximately 4.5 years
- Maturity Date : 8 December 2016
- Interest Rate : 0.97% p.a. payable semi-annually in arrears
- Interest Payment Dates : 8 June 2012
10 December 2012
10 June 2013
9 December 2013
9 June 2014
8 December 2014
8 June 2015
8 December 2015
8 June 2016
8 December 2016
- Method of Tender : Competitive tender
- Tender Amount : Each competitive tender must be for an amount of HK\$50,000 or integral multiples thereof. Any tender applications for the Bonds must be submitted through a Primary Dealer on the current published list.

The accrued interest to be paid by successful bidders on the issue date (7 June 2012) for the tender amount is

HK\$241.84 per minimum denomination of HK\$50,000.

(The accrued interest to be paid for tender amount exceeding HK\$50,000 may not be exactly equal to the figures calculated from the accrued interest per minimum denomination of HK\$50,000 due to rounding).

Other details : Please see Information Memorandum available on the Government Bond Programme's website at <http://www.hkgb.gov.hk> or approach Primary Dealers.

Expected commencement date of dealing on the Stock Exchange of Hong Kong Limited : The tender amount is fully fungible with the existing 05GB1612 (Stock code: 4211) listed on the Stock Exchange of Hong Kong.

Price/Yield Table of the re-opening Government Bonds at tender for reference* only:-

<u>Yield-to-Maturity</u>	<u>Price</u>	<u>Yield-to-Maturity</u>	<u>Price</u>
-0.38	106.14	0.63	101.53
-0.33	105.90	0.68	101.31
-0.28	105.67	0.73	101.09
-0.23	105.43	0.78	100.87
-0.18	105.20	0.83	100.65
-0.13	104.97	0.88	100.43
-0.08	104.74	0.93	100.21
-0.03	104.50	0.98	99.99
0.03	104.25	1.03	99.77
0.08	104.02	1.08	99.55
0.13	103.79	1.13	99.34
0.18	103.56	1.18	99.12
0.23	103.34	1.23	98.90
0.28	103.11	1.28	98.69
0.33	102.88	1.33	98.47
0.38	102.65	1.38	98.26
0.43	102.43	1.43	98.04
0.48	102.20	1.48	97.83
0.53	101.98	1.53	97.62
0.58	101.76	1.58	97.41
0.63	101.53	1.63	97.20

* **Disclaimer**

The information provided here is for reference only. Although extreme care has been taken to ensure that the information provided is accurate and up-to-date, the HKMA does not warrant that all, or any part of, the information provided is accurate in all respects. You are encouraged to conduct your own enquiries to verify any particular piece of information provided on it. The HKMA shall not be liable for any loss or damage suffered as a result of any use or reliance on any of the information provided here.

Hong Kong Monetary Authority
25 May 2012